

STATE OF EMERGENCY REGULATION - COVID-19

I. GENERAL FRAMEWORK

- On 18 March 2020, the President of the Portuguese Republic enacted the Decree no. 14-A/2020 which declared the state of emergency in Portugal. The first state of emergency period lasted from 19 March to 2 April 2020, regulated by the Decree no. 2-A/2020, of 20 March.
- On 3 April 2020 the state of emergency was renewed until 17 April by the Decree no. 17-A/2020, regulated by the Decree no. 2-B/2020, of 4 April.
- On 17 April 2020 the state of emergency was renewed, for the second time, until 2 May 2020 by the Decree no. 20-A/2020. Decree no. 2-C/2020, of 17 April (the "**Decree**"), sets forth the state of emergency extension regulation currently in force, maintaining in force most of the previously approved measures, with some adjustments, including the authorisation for participating in the Labour Day festivities and the suspension of the obligation of publication in the Work and Employment Bulletin of working and employment legislative acts to be approved by the Portuguese Government, the government to promote the direct consultation with the relevant entities.
- The state of emergency regulation temporarily restricts the freedom of movement, the freedom of economic initiative and workers' rights, the freedom of religion, the right to education and data protection rights, some of the measures in that respect being referred to below, amongst others.

II. RESTRICTION OF RIGHTS, FREEDOMS AND GUARANTIES

Freedom of Movement

- Compulsory confinement of those infected with Covid-19 and citizens under active surveillance as determined by public authorities or health professionals. Violation of the compulsory confinement constitutes a crime.
- Special duty of care of those over 70 years of age and those who, due to underlying health conditions, are risk groups. These citizens are only allowed to leave their place of confinement for certain permitted purposes, including to buy goods or services, to work or seek medical treatment.
- Other citizens have the duty to stay at home and are only allowed to leave home for certain permitted purposes, including: (i) to buy goods or services, (ii) to work, seek medical treatment, take care of vulnerable people or (iii) to walk dogs or other family pets. Social distancing guidelines and other public recommendations and orders should be complied



with at all times.

**Freedom of
economic
initiative and
workers'
rights**

- Participation in activities related to official Labour Day celebrations is permitted, subject to the recommendations of the health authorities, namely in terms of social distance.
- Citizens can use their private vehicles to perform permitted activities or refuel at petrol stations.
- Obligation to work remotely, whenever possible.
- Shutdown of facilities in sectors such as leisure, culture, sport (except high performance facilities for training purposes only), restaurant activities (with consumption on location), gambling and betting space, and spas or similar establishments.
- Entities selling goods through vending machines or other terminals must adopt health measures to ensure its periodic disinfection unless duly justified health reasons determine otherwise.
- Suspension of retail trade and of non-essential services in establishments open to the public, with the exception of trade of goods or services considered essential in the present circumstances as specifically identified in the Decree (full list available in the annex to this document), and which cover a considerable number of trade and services sectors, including food, health, hygiene, banking and financial services, IT and communications and tourist establishments (except camping parks). For example, trade in clothing, footwear or bookshops or beauty services are not included in the list of essential goods.
- The activity of establishments allowed to remain in business may be restricted or suspended in the future if deemed unnecessary or undesirable for the purpose of fighting the spread of Covid-19.
- Wholesale establishments and those intending to carry out exclusive home delivery, or to make goods available at the door or by wicket, whatever the type of goods traded, may also continue to pursue their activity.
- During the state of emergency period, operators of wholesale food distribution establishments are allowed to sell their products directly to the public, cumulatively exercising the retail trade activity, being obliged to comply with the access, safety and hygiene rules and the rules of priority attendance of this Decree. Furthermore, they should adopt, if necessary, measures to ensure that the quantities available to each consumer are adequate and dissuasive of hoarding situations.
- Small retail establishments and local service providers whose operation is limited by this act may also apply to the



municipal civil protection authority for authorisation to operate, upon justified request. Other types of establishments whose operation is deemed necessary may also be authorised to maintain their activity, by means of a governmental authorisation.

- Restaurants may maintain their activity to prepare meals for consumption outside the establishment (take-away or delivery), without any further authorization, and may assign any workers to this activity, even if it is not included in the scope of their employment contracts. Canteens or catering services provided under long-term agreements are not suspended.
- Retail or service establishments of any kind located on the motorway network or inside airports or hospitals may remain in operation.
- Establishments that stay in business must adopt measures to ensure (i) a minimum distance of two metres between people inside the establishment, observing the maximum indicative occupancy rule of 0.04 people (customers or suppliers) per square meter (m²) of the commercial area opened to the public (i.e. 1 person per 25 m²), (ii) the permanence of people for the time strictly necessary for the acquisition of products or services, and (iii) the non-consumption of products inside the establishments.
- Establishments should provide priority attendance to those over 70 years old and to other risk groups, to members of the security, protection and rescue forces, to members of the armed forces and social service providers, and should inform clients clearly and noticeably about this duty, having such information displayed in the establishment.
- The shutdown of any facilities as a result of the restrictions on activity laid down in the Decree does not constitute grounds for termination, or any other form of extinction of non-residential lease agreements or other type of agreements involving the occupancy of real estate property.
- In addition, retail trade activities or the rendering of services considered essential, as well as retail trade by wholesale establishments, may be imposed if deemed necessary to secure access to essential goods by the population.
- Street vendors may maintain their activity to provide for basic necessities in the areas where this activity is considered necessary by decision of the municipality and there is a favourable opinion of the competent territorial health authority.
- Rent-a-car is allowed for the purposes listed in the Decree (which include journeys exceptionally authorized for the acquisition of essential goods and services, retail trade activities authorized under the Decree, assistance in claims and damages).

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- Restrictions on movement, including in municipalities where a health fence has been established, do not hinder the free movement of goods.
 - Orders may also be issued by the member of the government responsible for health with the aim of:
 - Ensuring the supply of goods and the operation of services necessary to protect public health;
 - Ensuring normal conditions in the production, transport, distribution and supply of goods and services essential to the activity of the health sector
 - A requisição temporária de indústrias, fábricas, oficinas, campos ou instalações de qualquer natureza, incluindo centros de saúde, serviços e estabelecimentos de saúde particulares;
 - Imposing the temporary requisition of all types of goods and services and the imposition of compulsory services on any entity where it is appropriate and indispensable for the protection of public health;
 - Determining the circuits of medicine and medical devices, as well as other health products, biocides, disinfectant solutions, alcohol and personal protective equipment, namely in what regards to its manufacture, distribution, marketing, import, acquisition, dispensation and prescription, aimed at ensuring and facilitating the supply, availability and access of the necessary products to health units, patients and other users;
 - Regulating the access to medicines, namely experimental ones, used in the context of the pandemic and the continuity of clinical trials;
 - Imposing market containment and limitation measures, maximum price fixing, centralized monitoring of stocks and quantities produced, mechanisms for prior notification of exports, to meet the needs at a national level, and exemption from payment of fees for economic operators acting in urgent situations;
 - Requesting telecom operators to send their clients notices and messages related to the pandemic.
 - During the state of emergency period, the possibility of terminating employment or services contracts with health care professionals linked to the National Health Service, as well as the other organs, agencies, services and entities of the Ministry of Health, is temporarily and exceptionally suspended (except in exceptional situations duly substantiated and authorized by the governing body). This suspension is applicable regardless of who takes the initiative of seeking termination of the agreement (the employer or the employee) and of the nature of the contractual relationship. A fixed-term employment contract that is due to expire during the state of emergency period is automatically extended until the end of the current state of emergency period and potential renewals thereof.



Measures shall also be taken, upon determination of the competent member of the government (i) in the transport sector, in order to ensure its operation, management flexibility, cleanliness, conditions of transport of goods, so as to ensure their supply throughout the national territory, and repatriation operations by the national airline and reduction of public transport capacity to one third of its capacity and to establish the countries from which incoming travellers shall be submitted to sanitary control as well as (ii) in the sectors of agriculture, sea, energy and environment, to ensure the regular production of the respective goods and services, to allow and/or impose the development of other activities or services in the sectors of agriculture and animal production, beyond the ones expressly allowed in the annex to the Decree, that prove essential to secure the normal supply of agri-food goods to the population and to temporarily derogate regulations on waste management, and the provision of essential services related to nature and forests conservation.

Freedom of Religion

Mass public gatherings in religious services are forbidden. Funerals require the adoption of measures to prevent large gatherings and preserve social distancing (the maximum number of participants shall be determined by local authorities).

Right of assembly and demonstration

The security forces and services and the municipal police are responsible for the dispersal of gatherings above five people, unless they belong to the same household.

Other Rights

During the period in which the state of emergency is in force, the following is suspended:

- The obligation to provide immediately and free of charge the complaints book to the consumer;
- The obligation to comply with the deadline for sending the original complaint sheets.

III. ADMINISTRATIVE ACTS

- During the term of the Decree, licences, permits and other administrative acts shall remain valid irrespective of the expiry of the term;
- The regulations and administrative acts of implementation of the Decree are effective through mere notification to the addressee (the notification is considered performed by the mere publication on the website of the entity responsible for the practice of the act), being dispensed with any other formalities.



IV. PUBLIC SERVICES

- Citizen attendance services (*"Lojas do Cidadão"*) are closed but face-to-face assistance can be provided by appointment.
- Members of Government may order public services considered essential to continue its activity.
- The member of the Government responsible for the Public Administration may determine:
 - The definition of guidelines on telework, in particular on situations requiring the presence of government employees at their workplaces, as well as on the compatibility of functions with telework;
 - The definition of guidelines on the establishment and maintenance of mobility situations;
 - The definition of guidelines on the cases in which employees of the Public Administration may be required to work in a different place, in a different entity or under different working conditions and hours;
 - The coordination with local authorities in relation to local public services, in particular citizen spaces, and the regime for providing work in local administration;
 - The centralisation and coordination of information on the operation and communication of public services;
 - The dissemination of information, support tools and innovative work management and organisation practices to support the activity of services and workers in new work environments;
 - Changing the deadlines for reporting data within the State Organisation Information System.
- The members of the Government responsible for public administration, work, solidarity and social security, with the faculty of delegation may define:
 - Guidelines that may be necessary in the event of illness and in the context of distance learning;
 - The terms under which employees of the central government can exercise functions in local government, regardless of their consent, as well as the terms under which employees of the central government and local government can exercise functions, with their consent, in

private welfare or other institutions, in the private or social sector, in support of the most vulnerable populations, elderly people, people with disabilities, children and young people at risk, in residential structures, home or street support.

V. AUTHORITY FOR WORKING CONDITIONS

- The labour inspector who verifies the existence of signs of dismissal in violation of certain provisions of the Portuguese Labour Code shall issue a report and notify the employer to regularise the situation.
- Upon the aforementioned notification, until the employee's situation has been regularized or the judicial decision has been declared final, the employment contract may not be terminated, all rights of the parties being maintained, namely the right to remuneration, as well as the inherent obligations of the employer towards the social security system.
- In order to ensure the responsiveness of the Authority for Working Conditions ("**AWC**"), during the validity of this Decree: (i) the agreement of the body regarding the mobility of inspectors and senior technicians to the Authority for Working Conditions, initiated before or after the entry into force of this Decree, shall be waived; (ii) inspectors and senior technicians from the inspection services may be requested to temporarily reinforce the AWC, by order of the Prime Minister and member of the Government responsible for the area of work, solidarity and social security; (iii) the AWC may contract the acquisition of external services to assist in the execution of its activity under the exceptional public procurement regime provided for by Decree-Law no. 10-A / 2020, of 13 March, in its current wording..

VI. EXCEPTIONAL REGIME OF SOCIAL SUPPORT ACTIVITIES

- Social facilities that do not yet have an operating license but are able to start operating can start their activity by means of a temporary operating authorization issued by Social Security. The provisional authorization for operation ceases with the end of the state of emergency.
- During the state of emergency, there may be a transient change in the use, in relation to the currently established, of any social equipment.
- The capacity of each establishment may be defined for the purpose of the measures provided for in the Decree and in compliance with the rules and guidelines of the Directorate General of Health.

VII. SUPERVISION

It is the responsibility of the security forces and services and the municipal police to monitor compliance with the measures provided for in this Decree by:

- Raising community awareness of the general duty of recollection;
- Closure of establishments and cessation of activities provided for in Annex I of the Decree;
- Emanation of legitimate orders to comply with the general duty of staying at home;
- Commination and participation for a crime of disobedience for violation of the rules related to (i) the special limitations applicable to the municipality of Ovar, (ii) the closure of facilities and establishments, (iii) the suspension of activities in the scope of retail trade and the suspension of activities in the scope of the provision of services and (iv) the compulsory confinement to those subject to it;
- Promotion of the non-concentration of people on public roads and dispersion of concentrations greater than five people;
- Recommendation to all citizens of the general duty of staying at home.

The parish councils are responsible for:

- Promotion of the non-concentration of people on public roads;
- The recommendation to all citizens of compliance with the duty to stay at home;
- Identification (with security forces and services) of which establishments must be closed.

VIII. DISOBEDIENCE

The disobedience and resistance to legitimate orders of competent entities, when in violation of the provisions of the Decree, shall be punished in accordance with the criminal law and the penalties shall always be increased by one third in both their minimum and maximum limits.



IX. IMPLEMENTATION AT LOCAL LEVEL

- The Prime Minister shall appoint the authorities coordinating the implementation of the state of emergency on the continental territory and at local level under the legal terms.

Lisbon, 23 April 2020

CS Associados Team

- ANNEX -

DECREE NO. 2-C/2020

LIST OF ESSENTIAL ESTABLISHMENTS, GOODS AND SERVICES

1. MINIMARKETS, SUPERMARKETS, HYPERMARKETS;
2. FRUIT SHOPS, BUTCHERS, FISH SHOPS, BAKERIES;
3. MARKETS, IN CASES OF SALE OF FOOD PRODUCTS;
4. AGRO-FOOD PRODUCTION AND DISTRIBUTION;
5. FISH MARKETS;
6. CATERING AND BEVERAGES, IN ACCORDANCE WITH THE PRESENT DECREE;
7. CONFECTION OF MEALS READY TO TAKE HOME, ACCORDING TO THE PRESENT DECREE;
8. MEDICAL OR OTHER HEALTH AND SOCIAL SUPPORT SERVICES;
9. PHARMACIES AND NON-PRESCRIPTION MEDICINE RETAIL OUTLETS;
10. MEDICAL AND ORTHOPAEDIC PRODUCTS ESTABLISHMENTS;
11. OPTICIANS;
12. COSMETIC AND HYGIENE PRODUCTS ESTABLISHMENTS;
13. ESTABLISHMENTS OF NATURAL AND DIETETIC PRODUCTS;
14. ESSENTIAL PUBLIC SERVICES AND RESPECTIVE REPAIR AND MAINTENANCE (WATER, ELECTRICITY, NATURAL GAS AND LIQUEFIED PETROLEUM GAS PIPELINES, ELECTRONIC COMMUNICATIONS, POSTAL SERVICES, WASTEWATER COLLECTION AND TREATMENT SERVICES, WASTEWATER COLLECTION AND TREATMENT SERVICES, URBAN SOLID WASTE MANAGEMENT AND URBAN HYGIENE SERVICES AND PASSENGER TRANSPORT SERVICE);
15. SERVICES AUTHORIZED FOR THE SUPPLY OF WATER, THE COLLECTION AND TREATMENT OF WASTE WATER AND / OR WASTE GENERATED WITHIN THE SCOPE OF THE ACTIVITIES OR IN THE ESTABLISHMENTS REFERRED TO HEREIN;
16. STATIONERIES AND TOBACCONISTS (NEWSPAPERS, TOBACCO);
17. SOCIAL GAMES;
18. VETERINARY MEDICAL CARE CENTRES;
19. PET SALES ESTABLISHMENTS AND THEIR RESPECTIVE FOOD;
20. ESTABLISHMENTS SELLING FLOWERS, PLANTS, SEEDS AND FERTILIZERS AND CHEMICAL AND BIOLOGICAL PHYTOSANITARY PRODUCTS;
21. TEXTILE AND LEATHER DRY CLEANING AND WASHING ESTABLISHMENTS;
22. DRUGSTORES;
23. HARDWARE STORES AND DO-IT-YOURSELF (DIY) STORES;
24. FUEL FILLING STATIONS AND ELECTRIC VEHICLE CHARGING STATIONS;
25. ESTABLISHMENTS SELLING FUELS FOR DOMESTIC USE;



26. MAINTENANCE AND REPAIR ESTABLISHMENTS FOR BICYCLES, MOTOR VEHICLES AND MOTORCYCLES, TRACTORS AND AGRICULTURAL MACHINERY, SHIPS AND BOATS, AS WELL AS THE SALE OF PARTS AND ACCESSORIES AND TOWING SERVICES;

27. ESTABLISHMENTS FOR THE SALE AND REPAIR OF HOUSEHOLD APPLIANCES, COMPUTER AND COMMUNICATIONS EQUIPMENT;

28. BANKING, FINANCIAL AND INSURANCE SERVICES;

29. FUNERAL AND RELATED ACTIVITIES;

30. HOME MAINTENANCE AND REPAIR SERVICES;

31. HOME SECURITY OR SURVEILLANCE SERVICES;

32. CLEANING, DISINFECTION, DE-RATIFICATION AND SIMILAR ACTIVITIES;

33. HOME DELIVERY SERVICES;

34. TOURIST RESORTS, EXCEPT CAMPING PARKS, CAN PROVIDE FOOD AND BEVERAGE SERVICES IN THE ESTABLISHMENT ITSELF EXCLUSIVELY FOR THEIR GUESTS;

35. SERVICES THAT GUARANTEE STUDENT ACCOMMODATION;

36. VENDING MACHINES IN COMPANIES, ESTABLISHMENTS OR ANY INSTITUTIONS IN WHICH THOSE MACHINES REPRESENT THE ONLY MEANS OF ACCESS TO FOOD PRODUCTS;

37. THE ACTIVITY OF STREET SELLERS, IN ACCORDANCE TO THE TERMS LAID OUT IN THE DECREE;

38. THE ACTIVITY OF FREIGHT VEHICLE RENTAL WITHOUT DRIVER;

39. THE ACTIVITY OF PASSENGER VEHICLE RENTAL WITHOUT DRIVER, IN ACCORDANCE TO THE TERMS LAID OUT IN THE DECREE;

40. ACTIVITIES AND ESTABLISHMENTS LISTED IN THE PREVIOUS PARAGRAPHS, EVEN IF INTEGRATED IN SHOPPING CENTRES;

41. PROVISION OF SERVICES FOR THE EXECUTION OR IMPROVEMENT OF THE FUEL MANAGEMENT BAND NETWORKS;

42. ESTABLISHMENTS SELLING IRRIGATION MATERIAL AND EQUIPMENT OR PRODUCTS RELATED TO WINE MAKING, AS WELL AS MATERIAL FOR ACCOMMODATING FRUITS AND VEGETABLES

43. ESTABLISHMENTS SELLING PLANT PROTECTION PRODUCTS AND BIOCIDES;

44. ESTABLISHMENTS SELLING VETERINARY MEDICINES.